

VZCZCXYZ0006
PP RUEHWEB

DE RUEHMO #0086/01 0120823
ZNR UUUUU ZZH
P 120823Z JAN 07
FM AMEMBASSY MOSCOW
TO RUCPDO/USDOC WASHDC PRIORITY
INFO RUEHC/SECSTATE WASHDC 6315
RUEAORC/USCBP WASHDC

UNCLAS MOSCOW 000086

SIPDIS

USDOC FOR 532/OEA/MHAMES/LRITTA
USDOC FOR 3150/USFCS/OIO/CEENIS/MCOSTA
USDOC FOR 532/OEE/MO'BRIEN
SIPDIS

E.O. 12958: N/A
TAGS: [BEXP](#) [ETRD](#) [ETTC](#) [RS](#)
SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: JSC VREMYA-
CH, NIZHNY NOVGOROD, RUSSIA, LICENSE NO. D368426

REFTEL: USDOC 06724

¶1. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

¶2. Reftel requested a Pre-license check to determine the legitimacy and reliability of the end-user, JSC Vremya-Ch, Nizhny Novgorod, Russia. The company is listed on BIS license application D368426 as the ultimate consignee of 10 converters, model: AD9460BSV-¶105. These items are controlled for national security, nuclear non-proliferation reasons under ECCN 3A001. The licensee is Analog Devices, 3 Technology Way, Norwood, MA 02062.

¶3. On December 27, 2006, Export Control Attache Donald Pearce and FSN Natalya Shipitsina conducted the requested pre-license check at the offices of JSC Vremya-Ch, 67, Osharskaya St., Nizhny Novgorod, Russia. The export control team met with Dr. Sergey Medvedev, Chief of IT Division and Dr. Boris Sakharov, Head Engineer.

¶4. Vremya-Ch was founded in 1993 as a provider of precision equipment maintenance for the Nizhny Novgorod Institute of Electronic Measuring Instruments Kvarz. The founders and many of the employees of Vremya-Ch are former employees and/or students at Kvarz. Currently Vremya-Ch produces a line of frequency and time standards and frequency comparison devices used in precision applications such as telecommunications, navigational reference systems and radio astronomy. Vremya-Ch is a Joint Stock Company, with 10% of the stock owned by Gosstandart, the Russian Federation Standards organization and the remaining shares privately held. The company employs 200, and owns three floors of a multiple-tenant industrial building in Nizhny Novgorod.

¶5. Drs. Medvedev and Sakharov are familiar with both U.S. and Government of Russia (GOR) export regulations. Dr. Medvedev estimates that 50% of Vremya-Ch's profits come from exports, and the company frequently does business with U.S. companies such as Analog Devices and Frequency Electronics, Inc. Dr. Medvedev told the team about a 2001 end use check conducted by the Federal Service for Technical and Export Control of the Russian Federation on a client in China, the Beijing Institute of Radio Metrology and Measurement (BIRMM). The check was favorable, and the equipment was exported. Drs. Medvedev and Sakharov

both stressed the importance of export control compliance, as the company depends on the revenue from export sales and realizes the importance of the control of dual-use commodities.

¶6. Dr. Medvedev gave the following list of other export clients: Switzerland: the Neuchatel Observatory, Oscilloquartz Company, TNT-Temex Neuchatel Time Company. Germany: Physikalisch-Technische Bundesanstalt (German Bureau of Standards), Institute for Experimental Physics at Heinrich Heine University. Australia: Commonwealth Scientific and Industrial Research Organization, Australia Telescope National Facility Poland: AM Technologies Polska. Kazakhstan: "KazInMetr"(Kazakhstan Institute of Metrology). Belarus: State Institute of Metrology. China: National Institute of Metrology Technology Inc., Shanghai Astronomical Observatory, Chinese Academy of Science, China Xinshidai Company, EZ Tech Electronics Technology Company, Ltd., China Great Wall Industry Corporation. NOTE: Dr. Medvedev indicated that he was familiar with the sanctions on China Great Wall Industry Corporation, and stated that the sales were in the time frame between 1994 and 2004. END NOTE.

¶7. The company does not manufacture equipment for specific military purposes or projects, and does not have any affiliation with weapons design or production programs. The company has contracts and continuing business arrangements with the following Russian organizations: All-Russian Scientific Research Institute for Physical-Technical And Radio-Technical Measurements, Korolev Space Center Mission Control, Federal State Unitary Enterprise-Research Institute of

semiconductor Devices, Federal State Unitary Enterprise-Russian Institute of Space Device Engineering.

¶8. The equipment in reftel will be used to integrate digital signal processing (DSP) into the current product line. Currently the company only uses DSP in radio frequency (RF) tuning and calibration of crystal oscillators. With DSP capabilities, Dr. Sakharov hopes to design wide band RF comparison standards and equipment. Three specialists will have direct access to the equipment in reftel. The equipment will be stored in a locked closet inside of the fabrication area of the facility, which is guarded at all times by a security officer. All areas of the facility are limited to authorized personnel. A proximity card system and video surveillance security system are utilized to control access.

¶X. Recommendations: Post recommends JSC Vremya-Ch, Nizhny Novgorod, Russia, as reliable recipients of sensitive U.S. origin commodities. It is requested that post be notified of final disposition of the application, and of any shipments for this organization in order to conduct appropriate FCS follow-up and statistical reporting.
(FCS MOSCOW/SBOZEK/DPEARCE)
BURNS